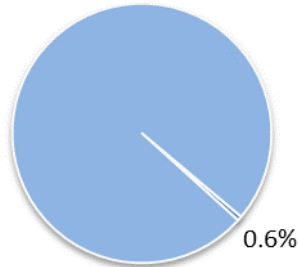


FY2020 Budget Briefing

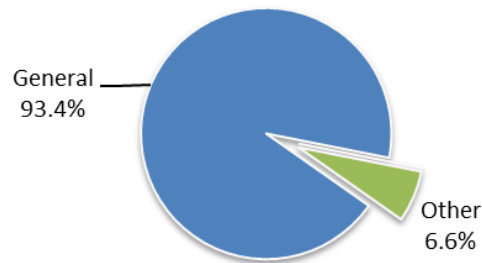
The Legislative Branch

Information contained in this document is based on the Governor's December recommended FY2020 budget.
This document may not correspond with the final FY2020 budget adopted by the Legislature.

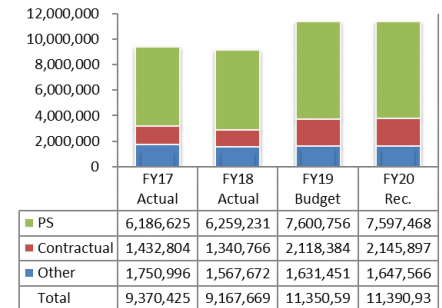
**Agency Share of
Budgeted General Funds**



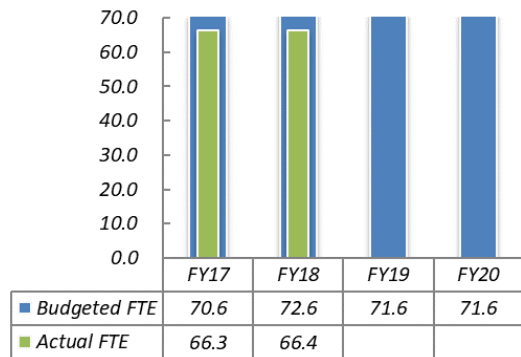
Sources of Funds



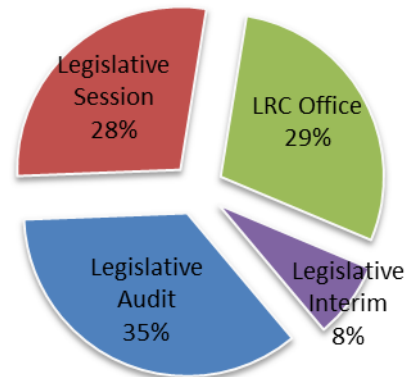
Budget History



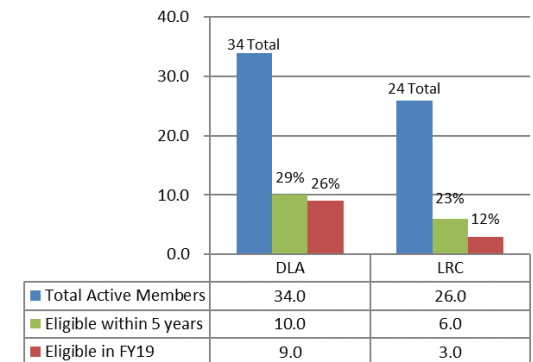
FTE



**Distribution of Agency
General Funds**



**Workforce
Changes**



Key Personnel

- Executive Board Chair, Representative Steven Haugaard, South Dakota Legislature
- Executive Board Vice Chair, Senator Brock Greenfield, South Dakota Legislature
- Director, Jason Hancock, Legislative Research Council
- Auditor General, Martin Guindon, Department of Legislative Audit

Mission of the Legislative Branch

To represent the people of South Dakota and protect their general welfare by formulating policies through the adoption and revision of legislation by the state legislature; to perform studies and analyses of state policies through the Legislative Research Council; and, to perform the post-audit functions through the Division of Legislative Audit.

LEGAL CITATION: South Dakota Constitution, Article III and SDCL 1-23, 1-26, 2-4, 2-5, 2-6, 2-7, 2-9, 2-11, 2-16, 2-17, 4-2, 4-11, and 6-11.

Legislative Branch Budget Request

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
BY PROGRAM						
Legislative Operations	5,824,340	5,737,988	6,837,637	6,920,764	6,860,127	22,490
Legislative Priority Fund	147,112	7,430	755,040	755,040	755,040	0
Auditor General	3,398,973	3,422,251	3,757,914	3,927,756	3,775,764	17,850
Total	9,370,425	9,167,669	11,350,591	11,603,560	11,390,931	40,340
BY FUND CATEGORY						
General	9,219,830	9,160,239	10,595,551	10,848,520	10,635,891	40,340
Federal	0	0	0	0	0	0
Other	150,595	7,430	755,040	755,040	755,040	0
Total	9,370,425	9,167,669	11,350,591	11,603,560	11,390,931	40,340
BY OBJECT EXPENDITURE						
Personnel Costs	6,186,625	6,259,231	7,600,756	7,809,129	7,597,468	(3,288)
Salaries	5,079,520	5,094,359	6,290,024	6,473,008	6,287,536	(2,488)
Benefits	1,107,104	1,164,872	1,310,732	1,336,121	1,309,932	(800)
Operating Expenditures	3,183,800	2,908,438	3,749,835	3,794,431	3,793,463	43,628
Travel	1,104,972	1,109,696	1,289,336	1,305,951	1,305,951	16,615
Contractual Services	1,432,804	1,340,766	2,118,384	2,146,865	2,145,897	27,513
Supplies and Materials	122,092	99,202	123,461	122,961	122,961	(500)
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	523,933	358,774	218,654	218,654	218,654	0
Other	0	0	0	0	0	0
Total	9,370,425	9,167,669	11,350,591	11,603,560	11,390,931	40,340
Full-Time Equivalent (FTE)	66.3	66.4	71.6	71.6	71.6	0.0

Major Items Summary - Legislative Branch

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2020 Base Budget	10,595,551	0	755,040	11,350,591	71.6	10,595,551	0	755,040	11,350,591	71.6
Maintenance of Current Operations										
A. Operating Expense Inflation	40,013	0	0	40,013	0.0	40,013	0	0	40,013	0.0
B. Legislative Salaries	0	0	0	0	0.0	(19,338)	0	0	(19,338)	0.0
C. Payments to State Agencies	1,968	0	0	1,968	0.0	1,000	0	0	1,000	0.0
D. Change in Employee Compensation	201,145	0	0	201,145	0.0	8,822	0	0	8,822	0.0
E. Other Adjustments	(13,585)	0	0	(13,585)	0.0	(13,585)	0	0	(13,585)	0.0
Total Maintenance Adjustments	229,541	0	0	229,541	0.0	16,912	0	0	16,912	0.0
FY 2020 Program Maintenance Budget	10,825,092	0	755,040	11,580,132	71.6	10,612,463	0	755,040	11,367,503	71.6
Program Line Items										
1. Legislative I.T. Interns	7,228	0	0	7,228	0.0	7,228	0	0	7,228	0.0
2. Software Maintenance Fees	11,200	0	0	11,200	0.0	11,200	0	0	11,200	0.0
3. Audit Staff Training	5,000	0	0	5,000	0.0	5,000	0	0	5,000	0.0
Total Program Line Items	23,428	0	0	23,428	0.0	23,428	0	0	23,428	0.0
FY 2020 Total Budget	10,848,520	0	755,040	11,603,560	71.6	10,635,891	0	755,040	11,390,931	71.6
Change from Base Budget	252,969	0	0	252,969	0.0	40,340	0	0	40,340	0.0
% Change from Base Budget	2.4%	0.0%	0.0%	2.2%	0.0%	0.4%	0.0%	0.0%	0.4%	0.0%

Prior and Current Year Budget Recap - Legislative Branch

Prior Year Recap		FTE	General	Federal	Other	Total
FY 2018 Original Budget		71.6	9,711,232	0	854,040	10,565,272
Legislative Adjustments						
Supplemental Bill - Health Insurance	PS		50,947	0	0	50,947
Supplemental Bill - Health Insurance	OE		3,334	0	0	3,334
Total Legislative Adjustments		0.0	54,281	0	0	54,281
Agency Adjustments						
Prior Year One-Time Transfer	PS		(5,000)	0	0	(5,000)
Prior Year One-Time Transfer	OE		5,000	0	0	5,000
Total Agency Adjustments		0.0	0	0	0	0
FY 2018 Adjusted Budget		71.6	9,765,513	0	854,040	10,619,553
Reversions						
Prior Year Reversions	PS		(451,254)	0	4,298	(446,956)
Prior Year Reversions	OE		(154,020)	0	(850,909)	(1,004,929)
Total Reversions		0.0	(605,274)	0	(846,611)	(1,451,885)
Unutilized FTE		(5.2)				
FY 2018 Percent Reverted		7.2%	(6.2%)	0	(99.1%)	(13.7%)
Current Year Recap		FTE	General	Federal	Other	Total
FY 2019 Original Budget		71.6	10,524,582	0	755,040	11,279,622
Legislative Adjustments						
Market Adjustment	PS		65,969	0	0	65,969
Market Adjustment	OE		2,688	0	0	2,688
Bureau Billings	OE		2,312	0	0	2,312
Total Legislative Adjustments		0.0	70,969	0	0	70,969
Agency Adjustments						
Total Agency Adjustments		0.0	0	0	0	0
FY 2019 Adjusted Budget		71.6	10,595,551	0	755,040	11,350,591

LEGISLATIVE OPERATIONS (2810)

To adopt new laws or revise past legislation, as the policymaking branch of state government, that will promote the general welfare of the citizens of South Dakota by meeting in the regular legislative session as specified in the State Constitution.

BUDGET REQUEST: LEGISLATIVE OPERATIONS (2810)

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
BY PROGRAM						
Legislative Members	1,396,814	1,407,269	2,136,162	2,157,760	2,138,422	2,260
Legislative Support and Printing	1,327,784	936,416	854,697	858,458	856,942	2,245
Legislative Research Council	2,307,881	2,201,131	2,494,944	2,532,281	2,494,944	0
Code Counsel and Commission	149,264	151,021	165,400	167,846	165,400	0
Interim Member Costs	642,596	734,483	783,934	801,919	801,919	17,985
Legislative IT	0	307,667	402,500	402,500	402,500	0
Total	5,824,340	5,737,988	6,837,637	6,920,764	6,860,127	22,490
BY FUND CATEGORY						
General	5,820,857	5,737,988	6,837,637	6,920,764	6,860,127	22,490
Federal	0	0	0	0	0	0
Other	3,482	0	0	0	0	0
Total	5,824,339	5,737,988	6,837,637	6,920,764	6,860,127	22,490
BY OBJECT EXPENDITURE						
Personnel Costs	3,149,212	3,202,911	4,217,919	4,275,268	4,214,631	(3,288)
Salaries	2,654,467	2,680,870	3,605,218	3,656,717	3,602,730	(2,488)
Benefits	494,745	522,040	612,701	618,551	611,901	(800)
Operating Expenditures	2,675,128	2,535,077	2,619,718	2,645,496	2,645,496	25,778
Travel	1,001,429	1,004,381	1,150,393	1,167,008	1,167,008	16,615
Contractual Services	1,063,033	1,108,500	1,147,252	1,156,415	1,156,415	9,163
Supplies and Materials	107,911	85,766	105,061	105,061	105,061	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	502,755	336,429	217,012	217,012	217,012	0
Other	0	0	0	0	0	0
Total	5,824,340	5,737,986	6,837,637	6,920,764	6,860,127	22,490
Full-Time Equivalent (FTE)	31.6	32.0	31.6	31.6	31.6	0.0
FUNDING SOURCES (Governor's Recommended)	General	Federal	Other	%General	%Federal	%Other
STATE GENERAL FUND	6,860,127	0	0	100.0%	0.0%	0.0%

MAJOR ITEMS SUMMARY: LEGISLATIVE OPERATIONS (2810)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2020 Base Budget	6,837,637	0	0	6,837,637	0.0	6,837,637	0	0	6,837,637	0.0
Maintenance of Current Operations										
A. Operating Expense Inflation	38,563	0	0	38,563	0.0	38,563	0	0	38,563	0.0
B. Legislative Salaries	0	0	0	0	0.0	(19,338)	0	0	(19,338)	0.0
C. Change in Employee Compensation	50,121	0	0	50,121	0.0	8,822	0	0	8,822	0.0
D. Other Adjustments	(12,785)	0	0	(12,785)	0.0	(12,785)	0	0	(12,785)	0.0
Total Maintenance Adjustments	75,899	0	0	75,899	0.0	15,262	0	0	15,262	0.0
FY 2020 Program Maintenance Budget	6,913,536	0	0	6,913,536	0.0	6,852,899	0	0	6,852,899	0.0
Program Line Items										
1. Legislative I.T. Interns	7,228	0	0	7,228	0.0	7,228	0	0	7,228	0.0
Total Program Line Items	7,228	0	0	7,228	0.0	7,228	0	0	7,228	0.0
FY 2020 Total Budget	6,920,764	0	0	6,920,764	31.6	6,860,127	0	0	6,860,127	31.6
Change from Base Budget	83,127	0	0	83,127	31.6	22,490	0	0	22,490	31.6
% Change from Base Budget	1.2%	0.0%	0.0%	1.2%	0.0%	0.3%	0.0%	0.0%	0.3%	0.0%

BUDGET DETAIL: LEGISLATIVE OPERATIONS (2810)

	FTE	General	Federal	Other	Total
Prior Year Recap					
FY 2018 Original Budget	31.6	6,001,443	0	0	6,001,443
Legislative Adjustments					
Supplemental Bill - Health Insurance PS		21,588	0	0	21,588
Supplemental Bill - Health Insurance OE		3,334	0	0	3,334
Total Legislative Adjustments	0.0	24,922	0	0	24,922
Agency Adjustments					
Total Agency Adjustments	0.0	0	0	0	0
FY 2018 Adjusted Budget	31.6	6,026,365	0	0	6,026,365
Reversions					
Prior Year Reversions PS		(140,217)	0	0	(140,217)
Prior Year Reversions OE		(148,160)	0	0	(148,160)
Total Reversions	0.0	(288,377)	0	0	(288,377)
Unutilized FTE	0.4				
FY 2018 Percent Reverted	(1.3%)	(4.8%)	0	0	(4.8%)

Current Year Recap		FTE	General	Federal	Other	Total
FY 2019 Original Budget		31.6	6,805,998	0	0	6,805,998
Legislative Adjustments						
Market Adjustment	PS		29,756	0	0	29,756
Market Adjustment	OE		1,883	0	0	1,883
Total Legislative Adjustments		0.0	31,639	0	0	31,639
Agency Adjustments						
Total Agency Adjustments		0.0	0	0	0	0
FY 2019 Adjusted Budget		31.6	6,837,637	0	0	6,837,637
FY 2020 Base						
Agency Request		31.6	6,837,637	0	0	6,837,637
Governor's Recommendation		31.6	6,837,637	0	0	6,837,637

A. Operating Expense Inflation

Legislative Member Per Diem

SDCL 2-4-2 sets the legislative per diem amount as the greater of \$123 or the "amount fixed for the per diem allowance that is authorized by the United States Internal Revenue Service to be excluded from the gross income without itemization as of October first of each year." The IRS per diem rate is set annually by the General Services Administration (GSA), and is set every fiscal year on October 1st. FFY2019 per diem rate is projected to increase to \$149 per day. The budgeted rate for FY2019 was \$142 per day for a 40-day session. An increase of \$29,400 is requested to fund the increase in the per diem rate.

The Governor recommended this request.

Dues for National Organizations

The Legislature belongs to five national organizations. An increase of \$9,163 is requested to fund the annual increase in the membership dues for the organizations.

The FY2020 estimated increase in membership dues for each is:

Dues	CSG	NCSL	ULC	ECS	MHEC	Forum	Total	% Inc. Y-o-Y
2015	\$90,510	\$118,877	\$30,600	\$17,700	\$95,000	\$10,000	\$362,687	0.42%
2016	\$90,667	\$121,462	\$31,500	\$17,700	\$115,000	\$10,000	\$386,329	6.52%
2017	\$94,294	\$123,755	\$33,000	\$17,700	\$0	\$10,000	\$278,749	-27.85%
2018	\$98,262	\$125,832	\$34,500	\$17,700	\$0	\$10,000	\$286,294	2.71%
2019	\$102,303	\$127,720	\$36,200	\$17,700	\$0	\$12,500	\$296,423	3.54%
2020	\$106,393	\$131,743	\$37,250	\$17,700	\$0	\$12,500	\$305,586	3.09%

The Governor recommended this request.

	FTE	General	Federal	Other	Total
Agency Request	0.0	38,563	0	0	38,563
Governor's Recommendation	0.0	38,563	0	0	38,563

B. Legislative Salaries

Statutory salary per legislator is equal to one-fifth of the South Dakota median household income reported by the United States Census Current Population Survey, as ascertained and adjusted each year by the State Board of Finance to take effect on the first of January of each year. For FY2019 this was budgeted at \$11,800. The actual amount came in at \$11,378.80. At an estimated inflationary increase of 3%, the projected FY2020 salary is \$11,720. No change in this line items was requested by the Legislature.

The Governor recommended a decrease of \$19,338 based on a projected FY2020 salary of \$11,720 per legislator.

	FTE	General	Federal	Other	Total
Agency Request	0.0	0	0	0	0
Governor's Recommendation	0.0	(19,338)	0	0	(19,338)

C. Change in Employee Compensation**Executive Board Approved Salary Package**

The Executive Board of the Legislative Research Council approved a compensation package which allows for similar type adjustments as those normally given by the Executive Branch.

The Governor did not recommend this request.

Legislative Interim Salary

SDCL 2-4-2.2 sets salary for members of the Legislature serving on interim legislative committees at the per diem allowance that is authorized by the United States Internal Revenue Service. The FY2019 interim salary for members and non-members serving on a legislative committee or task force was budgeted at \$142 per day at an estimated 1,107 meeting days. On October 1, 2018 the salary increased to \$149 per meeting day with an estimated 1,110 meeting days, for an increase of \$8,822.

The Governor recommended this request.

	FTE	General	Federal	Other	Total
Agency Request	0.0	50,121	0	0	50,121
Governor's Recommendation	0.0	8,822	0	0	8,822

D. Other Adjustments**Legislative Page Travel Budget**

Legislative pages are not paid a salary, but instead are reimbursed living expenses. The State Board of Finance set the in-state lodging reimbursement rate at \$55.00 per day during session months. For FY2020 it is projected that there will be 22 pages each session day with an estimated 40 session days. A decrease of \$4,983 was requested to bring the travel budget for legislative pages in line with anticipated expenditures.

The Governor recommended this request.

Legislative Session Mileage

Travel reimbursement for legislative travel to and from the Capitol on weekends during session is set in Administrative Rule by the State Board of Finance. The mileage rate for FY2019 is 42¢ per mile and no increase is expected for FY2020. The South Dakota Constitution requires one trip in each direction to be reimbursed at 5¢ per mile. The session calendar for the 2018 session includes 11 weeks. A reduction of \$7,802 was made in the FY2020 budget request to bring the budget in line with projected expenditures.

The Governor recommended this request.

	FTE	General	Federal	Other	Total
Agency Request	0.0	(12,785)	0	0	(12,785)
Governor's Recommendation	0.0	(12,785)	0	0	(12,785)
FY 2020 Maintenance of Current Operations					
Agency Request	31.6	6,913,536	0	0	6,913,536
Governor's Recommendation	31.6	6,852,899	0	0	6,852,899

1. Legislative I.T. Interns

The Executive Board of the Legislative Research Council approved two I.T. interns to be available during the legislative session to help legislators with technology concerns. An increase of \$7,228 is requested to fund the interns.

The Governor recommended this request.

	FTE	General	Federal	Other	Total
Agency Request	0.0	7,228	0	0	7,228
Governor's Recommendation	0.0	7,228	0	0	7,228
FY 2020 Total					
Agency Request	31.6	6,920,764	0	0	6,920,764
Governor's Recommendation	31.6	6,860,127	0	0	6,860,127
Agency Request					
Change from Original Appropriation	0.0	83,127	0	0	83,127
% Change from Original Appropriation	0.0%	1.2%	0.0%	0.0%	1.2%
Governor's Recommendation					
Change from Original Appropriation	0.0	22,490	0	0	22,490
% Change from Original Appropriation	0.0%	0.3%	0.0%	0.0%	0.3%

LEGISLATIVE PRIORITY PILOT PROGRAM CONTINGENCY FUND (2815)

SDCL 4-8A-17 establishes the Legislative priority pilot program contingency fund. The fund shall be used to fund legislative priority pilot programs. Expenditures are approved by a majority vote of the Executive Board of the Legislative Research Council.

BUDGET REQUEST: LEGISLATIVE PRIORITY PILOT PROGRAM CONTINGENCY FUND (2815)

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
BY PROGRAM						
Legislative Priority Fund	147,112	7,430	755,040	755,040	755,040	0
Total	147,112	7,430	755,040	755,040	755,040	0
BY FUND CATEGORY						
General	0	0	0	0	0	0
Federal	0	0	0	0	0	0
Other	147,112	7,430	755,040	755,040	755,040	0
Total	147,112	7,430	755,040	755,040	755,040	0
BY OBJECT EXPENDITURE						
Personnel Costs	0	4,299	0	0	0	0
Salaries	0	3,992	0	0	0	0
Benefits	0	307	0	0	0	0
Operating Expenditures	147,112	3,131	755,040	755,040	755,040	0
Travel	1,152	3,053	0	0	0	0
Contractual Services	145,960	0	755,040	755,040	755,040	0
Supplies and Materials	0	79	0	0	0	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total	147,112	7,431	755,040	755,040	755,040	0
Full-Time Equivalent (FTE)	0.0	0.0	0.0	0.0	0.0	0.0
FUNDING SOURCES (Governor's Recommended)	General	Federal	Other	%General	%Federal	%Other
LEGISLATIVE CONTINGENCY FUND	0	0	755,040	0.0%	0.0%	100.0%

HISTORICAL FUND USES

In FY2017, the Joint Committee on Appropriations requested a Lean Management Review be performed on the Bureau of Information and Telecommunications. The total cost of \$145,960 was paid from the fund in FY2017.

In 2017, SB171, a bill establishing a one-year Government Accountability Taskforce, was passed by the Legislature. The expenses of the committee were to be paid from this fund. The total cost was \$4,205, with \$1,152 being paid in FY2017 and \$3,053 being paid in FY2018.

Also, during the 2017 Legislative Session, the Joint Committee on Appropriations requested Lean training and implementation for the Department of Labor and Regulation. The contract is for \$99,000, to be paid from this fund; however, no payments were made from the fund

AUDITOR GENERAL (2880)

To serve the legislators and taxpayers of the state of South Dakota by providing quality independent audits and assistance to enhance public accountability, improve reporting capability, and strengthen operational controls of state and local government.

BUDGET REQUEST: AUDITOR GENERAL (2880)

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
BY PROGRAM						
Auditor General	3,398,973	3,422,251	3,757,914	3,927,756	3,775,764	17,850
Total	3,398,973	3,422,251	3,757,914	3,927,756	3,775,764	17,850
BY FUND CATEGORY						
General	3,398,973	3,422,251	3,757,914	3,927,756	3,775,764	17,850
Federal	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total	3,398,973	3,422,251	3,757,914	3,927,756	3,775,764	17,850
BY OBJECT EXPENDITURE						
Personnel Costs	3,037,413	3,052,022	3,382,837	3,533,861	3,382,837	0
Salaries	2,425,054	2,409,497	2,684,806	2,816,291	2,684,806	0
Benefits	612,359	642,525	698,031	717,570	698,031	0
Operating Expenditures	361,560	370,229	375,077	393,895	392,927	17,850
Travel	102,391	102,263	138,943	138,943	138,943	0
Contractual Services	223,810	232,266	216,092	235,410	234,442	18,350
Supplies and Materials	14,181	13,357	18,400	17,900	17,900	(500)
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	21,178	22,345	1,642	1,642	1,642	0
Other	0	0	0	0	0	0
Total	3,398,973	3,422,253	3,757,914	3,927,756	3,775,764	17,850
Full-Time Equivalent (FTE)	34.7	34.4	40.0	40.0	40.0	0.0
FUNDING SOURCES (Governor's Recommended)	General	Federal	Other	%General	%Federal	%Other
STATE GENERAL FUND	3,775,764	0	0	100.0%	0.0%	0.0%

MAJOR ITEMS SUMMARY: AUDITOR GENERAL (2880)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
FY 2020 Base Budget	3,757,914	0	0	3,757,914	0.0	3,757,914	0	0	3,757,914	0.0
Maintenance of Current Operations										
A. Operating Expense Inflation	1,450	0	0	1,450	0.0	1,450	0	0	1,450	0.0
B. Payments to State Agencies	1,968	0	0	1,968	0.0	1,000	0	0	1,000	0.0
C. Change in Employee Compensation	151,024	0	0	151,024	0.0	0	0	0	0	0.0
D. Other Adjustments	(800)	0	0	(800)	0.0	(800)	0	0	(800)	0.0
Total Maintenance Adjustments	153,642	0	0	153,642	0.0	1,650	0	0	1,650	0.0
FY 2020 Program Maintenance Budget	3,911,556	0	0	3,911,556	0.0	3,759,564	0	0	3,759,564	0.0
Program Line Items										
1. Software Maintenance Fees	11,200	0	0	11,200	0.0	11,200	0	0	11,200	0.0
2. Audit Staff Training	5,000	0	0	5,000	0.0	5,000	0	0	5,000	0.0
Total Program Line Items	16,200	0	0	16,200	0.0	16,200	0	0	16,200	0.0
FY 2020 Total Budget	3,927,756	0	0	3,927,756	40.0	3,775,764	0	0	3,775,764	40.0
Change from Base Budget	169,842	0	0	169,842	40.0	17,850	0	0	17,850	40.0
% Change from Base Budget	4.5%	0.0%	0.0%	4.5%	0.0%	0.5%	0.0%	0.0%	0.5%	0.0%

BUDGET DETAIL: AUDITOR GENERAL (2880)

Prior Year Recap		FTE	General	Federal	Other	Total
FY 2018 Original Budget		40.0	3,709,789	0	0	3,709,789
Legislative Adjustments						
Supplemental Bill - Health Insurance	PS		29,359	0	0	29,359
Total Legislative Adjustments		0.0	29,359	0	0	29,359
Agency Adjustments						
Prior Year One-Time Transfer	PS		(5,000)	0	0	(5,000)
Prior Year One-Time Transfer	OE		5,000	0	0	5,000
Total Agency Adjustments		0.0	0	0	0	0
FY 2018 Adjusted Budget		40.0	3,739,148	0	0	3,739,148
Reversions						
Prior Year Reversions	PS		(311,036)	0	0	(311,036)
Prior Year Reversions	OE		(5,861)	0	0	(5,861)
Total Reversions		0.0	(316,897)	0	0	(316,897)
Unutilized FTE		(5.6)				
FY 2018 Percent Reverted or Transferred		14.0%	(8.5%)	0	0	(8.5%)

Prior Year Transfer

This is a one-time transfer from personal services to operating expenses within the Auditor General. The funds transferred were used to pay additional expenses for workshop registration fees. Funds were available due to extended vacancies.

Current Year Recap		FTE	General	Federal	Other	Total
FY 2019 Original Budget		40.0	3,718,584	0	0	3,718,584
Legislative Adjustments						
Market Adjustment	PS		36,213	0	0	36,213
Market Adjustment	OE		805	0	0	805
Bureau Billings	OE		2,312	0	0	2,312
Total Legislative Adjustments		0.0	39,330	0	0	39,330
Agency Adjustments						
Total Agency Adjustments		0.0	0	0	0	0
FY 2019 Adjusted Budget		40.0	3,757,914	0	0	3,757,914
FY 2020 Base						
Agency Request		40.0	3,757,914	0	0	3,757,914
Governor's Recommendation		40.0	3,757,914	0	0	3,757,914

A. Operating Expense Inflation

An increase of \$600 in dues and memberships was requested to cover the rising cost of membership fees.

An increase of \$850 in garbage and sewer was requested to cover a \$3 increase per month for garbage and recycling pickup and a \$20 per month increase for sewer.

The requests were recommended by the Governor.

	FTE	General	Federal	Other	Total
Agency Request	0.0	1,450	0	0	1,450
Governor's Recommendation	0.0	1,450	0	0	1,450

B. Payments to State Agencies**Telecommunications**

An increase of \$1377 in telecommunications was requested to cover the increase in line charges from BIT (\$1000) and an increase in BIT fees for Windows 10 and Office 365 (\$377).

The Governor recommended the increase in telecommunications to cover the increase in line charges.

The Governor did not recommend the increase in BIT fees for Windows 10 and Office 365.

Insurance Premiums and Surety Bonding

An increase of \$591 in insurance premiums and surety bonding was requested to cover the increase in PEPL fund billings, Fidelity bond coverage, and Cyber Security.

The Governor did not recommend the request.

	FTE	General	Federal	Other	Total
Agency Request	0.0	1,968	0	0	1,968
Governor's Recommendation	0.0	1,000	0	0	1,000

C. Change in Employee Compensation

The Executive Board of the Legislative Research Council approved an increase of \$131,485 in salaries and \$19,539 in benefits to fund an adjustment to the Legislative Audit's pay plan for competitiveness. Comparisons of Legislative Audit salaries with other state audit organizations and starting accounting firm salaries in South Dakota and surrounding markets show Legislative Audit salaries below market. This puts Legislative Audit at additional risk of turnover and inability to hire entry level audit staff.

The Governor did not recommend this request.

	FTE	General	Federal	Other	Total
Agency Request	0.0	151,024	0	0	151,024
Governor's Recommendation	0.0	0	0	0	0

D. Other Adjustments

A decrease of \$300 in equipment service and maintenance due to less use of the copy machine and a decrease of \$500 in supplemental publications and references was requested due to less printed materials and more information being available online.

The Governor recommended this request.

	FTE	General	Federal	Other	Total
Agency Request	0.0	(800)	0	0	(800)
Governor's Recommendation	0.0	(800)	0	0	(800)
FY 2020 Maintenance of Current Operations					
Agency Request	40.0	3,911,556	0	0	3,911,556
Governor's Recommendation	40.0	3,759,564	0	0	3,759,564

1. Software Maintenance Fees

An increase of \$11,200 was requested in software maintenance to cover four additional Net Motion users, the new annual Adobe renewal fees, and a \$4000 annual maintenance fee for a new data analytics program for staff.

The Governor recommended this request.

	FTE	General	Federal	Other	Total
Agency Request	0.0	11,200	0	0	11,200
Governor's Recommendation	0.0	11,200	0	0	11,200

2. Audit Staff Training

An increase of \$5000 in workshop registration fees was requested to cover the cost of additional trainings required for audit staff to obtain their required continuing education hours.

	FTE	General	Federal	Other	Total
Agency Request	0.0	5,000	0	0	5,000
Governor's Recommendation	0.0	5,000	0	0	5,000

FY 2020 Total

Agency Request	40.0	3,927,756	0	0	3,927,756
Governor's Recommendation	40.0	3,775,764	0	0	3,775,764

Agency Request					
Change from Original Appropriation	0.0	169,842	0	0	169,842
% Change from Original Appropriation	0.0%	4.5%	0.0%	0.0%	4.5%
Governor's Recommendation					
Change from Original Appropriation	0.0	17,850	0	0	17,850
% Change from Original Appropriation	0.0%	0.5%	0.0%	0.0%	0.5%

REVENUES AND STATISTICS: AUDITOR GENERAL (2880)

REVENUES

	Actual FY 2017	Actual FY 2018	Estimated FY 2019	Estimated FY 2020
Audit Service Charges	1,728,420	1,612,677	1,734,000	1,800,000
Other (Refunds, Interest on Delinquent Accounts, and IPA Workshop Fees)	4,959	7,254	6,000	6,000
Total	1,733,379	1,619,931	1,740,000	1,806,000

Estimated amounts are based on 100% staffing and are dependent upon the date payments are received from the audited entities.

SELECTED STATISTICS

	Actual FY 2017	Actual FY 2018	Estimated FY 2019	Estimated FY 2020
<u>Fiscal and Compliance Audits:</u>				
State Agencies	11	13	15	15
Political Subdivisions	41	38	39	39
Nonrecurring Audits or Reviews	2	2	4	4
Internal Control Reviews	21	27	20	20
Independent Public Accountant Reports Reviewed	323	316	350	350

Agency Funding Sources

FUND NAME	TOTAL	FUND NAME	TOTAL
1000 - STATE GENERAL FUND	10,635,891	9047 - LEGISLATIVE CONTINGENCY FUND	755,040
		Grand Total	11,390,931

Other Fund Balance History

Company	48 Month Average	Minimum Balance	Most Recent Occurrence of Minimum	Balance on June 30				
				2014	2015	2016	2017	2018
9047 - LEGISLATIVE CONTINGENCY FUND	713,044	-	May 2014	NA	1,000,000	1,000,000	852,888	845,458

Historical Budget Changes

	General Funds	Federal Funds	Other Funds	Total Funds	FTEs
FY14 Budget Increases					
• Restore accidental death insurance - LRC	10,000			10,000	
• Bureau Billings - LRC	25,014			25,014	
• 2 FTEs plus benefits & compensation plan-DLA	140,172			140,172	2.0
• Travel for additional FTEs - DLA	8,824			8,824	
• Increase funding for Legis. Branch	500,000			500,000	
• Telecom & insurance/surety for addtl FTEs-DLA	5,072			5,072	
FY15 Budget Increases					
• LRC Misc.	88,431			88,431	
• DLA Misc.	28,426			28,426	
• DLA CAFR Initiative	172,275			172,275	3.0
• Revise reimbursement to newly appointed/elected legislators (SB 124)	43,794			43,794	
• Funding for two task forces - SB 154 (Jolene's Law) and HB 1213 (Tribal Econ. Develop.)	21,000			21,000	
FY16 Budget Increases					
• Legislative Audit compensation program	82,340			82,340	
• Legislative Contingency Fund according to SB99			1,000,000	1,000,000	
• LRC - Increase FTE level to accommodate additional session staff					0.3
FY17 Recommended Budget Increases					
Maintenance of Current Operation Items					
• Inflationary Adjustments	125,633			125,633	
FY2017 Line Items					
• LRC - National Organizational Dues Infl. Inc.	11,062			11,062	
• LRC - Discontinue Membership in MHEC (SB1)	(95,000)			(95,000)	
• LRC - Non-Legislative Committee Salaries	37,919			37,527	
• LRC - Salaries for 2 additional session employees	14,948			10,052	
• LRC - Historical Law Book Restoration	5,000			5,000	
• DLA - E-Board Approved Compensation Plan	22,295			22,295	
• DLA - Travel	3,000			3,000	
• DLA - Computer Services	12,902			12,902	
• DLA - Additional staffing for fraud, noncompliance or abuse matters (Eboard to approve prior to spending)			132,000	132,000	2.0

	General Funds	Federal Funds	Other Funds	Total Funds	FTEs
Legislative Branch, cont.					
FY18 Budget					
Maintenance of Current Operation Items					
• DLA - Operating Expense Inflation	8,777			8,777	
• DLA -Payments to State Agencies	2,500			2,500	
• DLA - Other Adjustments			(138,000)	(138,000)	(1.0)
FY2018 Line Items					
• DLA - Additional Auditor Position (CAFR)	64,228			64,228	
• LRC - Governor Recommended Decrease	(75,505)			(75,505)	
• LRC - Decrease Other Fund Authority			(145,960)	(145,960)	
FY19 Budget					
Maintenance of Current Operation Items					
• DLA -Rents increases	2,970	0	0	2,970	
• LRC - National Organization Dues	10,203	0	0	10,203	
• Other Adjustments	(5,426)	0	0	(5,426)	
FY2019 Line Items					
• DLA - Software Licenses	2,000	-	-	2,000	
• LRC - Legislative Pay - HB1311	655,624	-	-	655,624	
• LRC - Reduction for Labor and Regulation Lean Review Contract	-	-	(99,000)	(99,000)	
• LRC - Program Evaluation	105,865	-	-	105,865	
• LRC - 40-Day Legislative Session Expenses	42,114	-	-	42,114	